



The President's Daily Brief

January 27, 1975

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~~Top Secret~~ 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1), (2), (3)
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FOR THE PRESIDENT ONLY

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USSR-EGYPT

Foreign Minister Gromyko's trip to Cairo next week appears to be intended to prevent further deterioration of Soviet relations with Egypt.

The Soviets, irritated by President Sadat's renewed public criticism of the USSR, are probably concerned by the threat he made in a *Le Monde* interview last week to abrogate the Soviet-Egyptian friendship treaty. Egyptian Foreign Minister Fahmi indicated Saturday that Gromyko's visit is the result of continuing exchanges between General Secretary Brezhnev and Sadat.

The Soviet foreign minister will probably seek a reading of the state of Egyptian-Israeli disengagement talks while he is in Cairo, particularly in view of reports that Secretary of State Kissinger plans to visit the Middle East next month. Gromyko's visit will give international and home audiences a picture of active Soviet involvement in the region.

The contentious subject of Soviet arms supplies is certain to be raised during Gromyko's visit. Only one Soviet ship carrying military equipment has arrived in Alexandria since Fahmi visited Moscow in late December. At that time, the Soviets pledged to supply Egypt with the weapons it had ordered prior to the October 1973 war.

No new date for a Brezhnev trip is likely to be set, in view of the strains in relations and Brezhnev's uncertain health. A Soviet press officer recently told a US embassy official that he did not expect Brezhnev to go soon to the Middle East.

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OIL

The oil, finance, and foreign ministers of the members of the Organization of Petroleum Exporting Countries concluded their session in Algiers yesterday with a call for meetings of the OPEC chiefs of state, and between oil exporters and importers. From the importers' point of view, the outcome of the conference probably was as good as could be expected. The final communiqué was moderate, and various participants indicated that the prevailing approach would be cooperation rather than confrontation.

The OPEC summit, scheduled for sometime between February 21 and March 8, will focus on developing a coordinated position for discussions with oil importers. The ministers agreed that the meeting with importers should follow the pattern proposed by the French, who want representation from developing as well as industrialized countries.

[redacted] a preliminary exporter-importer meeting could be held in late March to set an agenda for a full-scale conference at an as yet undetermined time and place. At the OPEC ministerial session, the Algerians proposed a continuation of the freeze on oil prices through 1975. Price increases were urged for 1976 and 1977, correlated with the rate of inflation.

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PORTUGAL

Politically motivated street violence occurred in Portugal over the weekend, and more is expected this week. Rumors of coup plotting, meanwhile, continue to circulate.

The forced cancellation of the first congress of the Social Democratic Center Party by radical left-wing groups bodes ill for free and orderly elections this spring. Leaders of the Social Democratic Center, dubbed "fascist" by the left, had anticipated violence; groups of extreme leftists had ransacked their headquarters and broken up a party youth rally late last year, and the far left had said it would prevent the congress from taking place. Extremist groups calling for the dissolution of the Social Democratic Center held another demonstration in Oporto yesterday with security forces present. Democratic Center leaders reportedly are considering disbanding; if they do, no right-of-center party worth mentioning will participate in the constituent assembly elections.

The Communists, meanwhile, have announced they will hold a demonstration in Lisbon on Friday to compete with one already scheduled by the Socialists. The Socialists have called for their demonstration to show continuing opposition to the unitary labor law approved by the cabinet last week. The Communists, who reportedly believe the Socialist rally will be successful, hope to draw off some of its support. Tensions are rising, and a clash between the two groups could become serious.

[redacted] a coup is being planned by left-wing members of the Armed Forces Movement in cooperation with the Communist Party. [redacted]

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The Communists may believe their fortunes have peaked with their labor law victory and may, therefore, decide to take steps to preclude a moderate reaction against them. Their counterdemonstration could be a cover for a coup attempt. Radical officers also might try a coup because of disagreements among the military over the labor law. In this case the Communists might play only a supporting role. [redacted]

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[redacted] Rightists reportedly are circulating stories of leftist plots, perhaps to provide an excuse for taking action themselves.

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VIETNAM

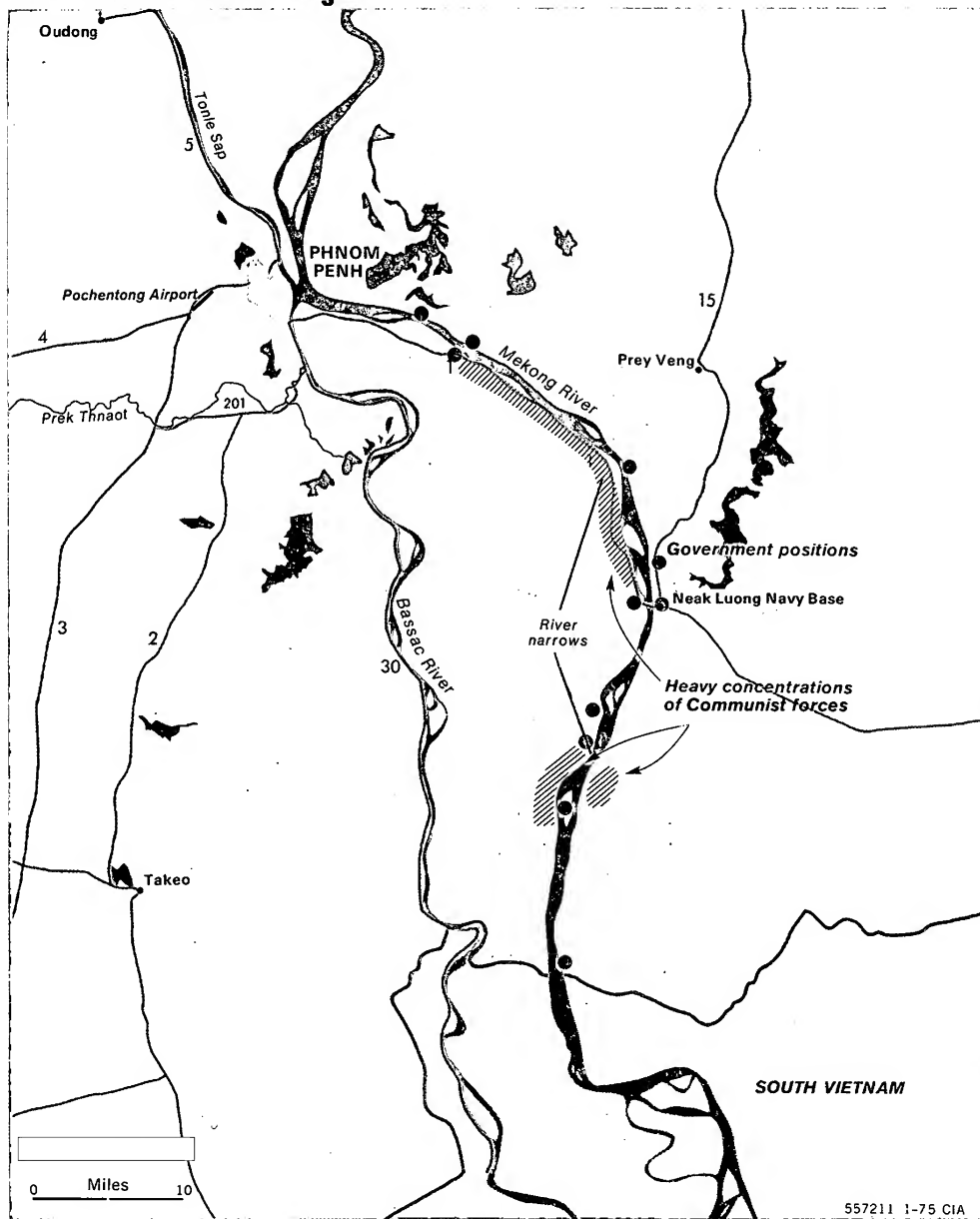
Vietnamese communist commentary on the second anniversary of the Paris cease-fire agreement predictably blames Saigon and Washington for the continued warfare in South Vietnam.

The Viet Cong's Provisional Revolutionary Government on January 17 repeated its statement of last October which demanded the resignation of President Thieu and the cessation of all US aid to South Vietnam before serious consideration could be given to resuming negotiations. The Viet Cong have also issued a lengthy "white paper" which details alleged US and South Vietnamese cease-fire violations over the past two years. The North Vietnamese yesterday reiterated their support of the Viet Cong position.

The communists have reacted strongly to your statement that you will request supplemental military assistance for the Saigon government. In an authoritative article in their party daily, the North Vietnamese vigorously attacked the aid request as an indication of the US unwillingness to implement the cease-fire agreement. The article attempted to portray continued US assistance to Saigon as ample justification for the communists' current military campaign in the South.

The communists have also given prominence to UN Secretary General Waldheim's recent decision to allow the Viet Cong to open a liaison post with UN humanitarian offices in Geneva. They have pointed to the description of "two South Vietnamese parties" in the Paris Agreement as tantamount to recognition of the Viet Cong's Provisional Revolutionary Government as a legitimate and co-equal South Vietnamese governmental entity. Communist stress on this line is intended to support the Viet Cong's efforts to gain at least observer status to other UN forums.

Cambodia: Lower Mekong



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CAMBODIA

A tanker and two supply barges escorted by 18 naval craft arrived in Phnom Penh Saturday night carrying much-needed petroleum and ammunition. This was the second convoy to arrive in three days.

A second tanker was delayed by communist attacks, but arrived in Phnom Penh late yesterday. The success of these two convoys will provide a psychological lift to the Cambodians, whose Mekong lifeline has been cut since early this month.

Intercepted messages indicate that the Khmer communists intend to continue their interdiction effort. Orders are being issued to construct more river barricades, lay additional mines, and retake shore positions lost last weekend.

Communist forces are also continuing rocket attacks on Phnom Penh and nearby Pochentong airfield. They may be trying to get close enough to the airfield for more accurate rocket and howitzer attacks.

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ECUADOR

The navy seized four US tuna boats Saturday for alleged illegal fishing within Ecuadorean waters, the first seizures since the 1972-73 fishing season.

Navy headquarters in Guayaquil announced the boats were seized "40 miles off the coastline." This formulation may be deliberate; it gives Ecuador the option of treating the matter as a simple case of unlicensed fishing within Ecuador's 200-mile territorial limit or, more seriously, of fishing in the 40-mile prohibited zone along the coast. The first case would probably mean heavy fines. The second case could mean confiscation of the fish catch and the boats, and even jailing of the crews, in addition to fines.

President Rodriguez has recently charged that the new US Trade Reform Act discriminates against Ecuador because it is a member of the Organization of Petroleum Exporting Countries. Ecuador may take a strong initial position in dealing with the boat crews, their parent companies, and US consular officers. By pegging the seizure to the far limit of the 40-mile zone, the government may, however, be suggesting a willingness to temper enforcement to match US flexibility in bilateral relations.

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